

ALVORD AND ALVORD
ATTORNEYS AT LAW
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SUITE 301
WASHINGTON, D.C.

MAR 24 '09 -1 00 PM

SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20036

OF COUNSEL
URBAN A. LESTER

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March 23, 2009

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease of Railroad Equipment No. 1, dated as of March 1, 2009, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Owner/Lessor: Banc of America Leasing & Capital, LLC
One Financial Plaza
Providence, RI 02903

Lessee: Duluth, Missabe and Iron Range Railway
Company
c/o Canadian National Railway Company
935 de La Gauchetiere Street West
Montreal, Quebec
Canada H3B 2M9

Anne K. Quinlan, Esquire
March 23, 2009
Page 2

A description of the railroad equipment covered by the enclosed document is:

232 gondola railcars: DMIR 70000 - DMIR 70231.

A short summary of the document to appear in the index is:

Memorandum of Lease of Railroad Equipment No. 1.

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alvord", with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

MAR 24 '09 -1 00 PM

SURFACE TRANSPORTATION BOARD


MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT NO. 1 dated as of March 1, 2009, between **Duluth, Missabe and Iron Range Railway Company**, a Delaware corporation (hereinafter called the **Lessee**), and **Banc of America Leasing & Capital, LLC**, a Delaware LLC (hereinafter called the **Owner**).

WHEREAS, the Lessee and the Owner have entered into that certain Lease of Railroad Equipment No. 1 dated as of March 1, 2009 (hereinafter called the **Lease**), covering the two-hundred thirty-two (232) 87-ton 1,150 cu. ft. bottom dump gondola cars built by National Steel Car Limited in 2009 marked and numbered **DMIR 70000 to 70231 inclusive**, and all additions and alterations thereto, replacements thereof and substitutions therefor;

IN WITNESS WHEREOF, the parties wish to show for the public record the leasing of said gondola cars from the Owner to the Lessee, the ownership of said gondola cars by the Owner, the leasehold interest therein of the Lessee, the rights of the Lessee from time to time to purchase said gondola cars or to renew the Lease and, accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

This Memorandum may be executed in any number of counterparts and by the different parties hereto on separate counterparts, all of which together shall constitute a single agreement.

Duluth, Missabe and Iron Range Railway Company

By: 
Name: John A.N. Lamont
Title: Sr. Manager Asset Finance

Banc of America Leasing & Capital, LLC

By: _____
Name: _____
Title: _____

**MEMORANDUM OF LEASE OF RAILROAD
EQUIPMENT NO. 1** dated as of March 1, 2009,
between **Duluth, Missabe and Iron Range Railway
Company**, a Delaware corporation (hereinafter called
the **Lessee**), and **Banc of America Leasing & Capital,
LLC**, a Delaware LLC (hereinafter called the **Owner**).

WHEREAS, the Lessee and the Owner have entered into that certain Lease of Railroad Equipment No. 1 dated as of March 1, 2009 (hereinafter called the **Lease**), covering the two-hundred thirty-two (232) 87-ton 1,150 cu. ft. bottom dump gondola cars built by National Steel Car Limited in 2009 marked and numbered **DMIR 70000 to 70231 inclusive**, and all additions and alterations thereto, replacements thereof and substitutions therefor;

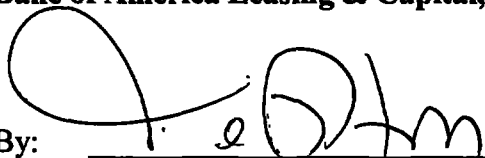
IN WITNESS WHEREOF, the parties wish to show for the public record the leasing of said gondola cars from the Owner to the Lessee, the ownership of said gondola cars by the Owner, the leasehold interest therein of the Lessee, the rights of the Lessee from time to time to purchase said gondola cars or to renew the Lease and, accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

This Memorandum may be executed in any number of counterparts and by the different parties hereto on separate counterparts, all of which together shall constitute a single agreement.

Duluth, Missabe and Iron Range Railway Company

By: _____
Name: John A.N. Lamont
Title: Sr. Manager Asset Finance

Banc of America Leasing & Capital, LLC

By: 
Name: Terri J. Preston
Title: Vice President

STATE OF MARYLAND)
) SS.:
CITY / COUNTY OF _____)

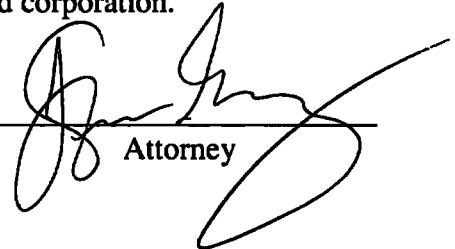
On this _____ day of March, 2009, before me personally appeared _____, to me personally known, who, by me being duly sworn, says that he /she is _____ of Banc of America Leasing & Capital, LLC, that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he / she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My commission expires

PROVINCE OF QUEBEC)
) SS.:
DISTRICT OF MONTREAL)

On this 12th day of March, 2009, before me personally appeared John A.N. Lamont, to me personally known, who, by me being duly sworn, says that he is Sr. Manager, Asset Finance of Duluth, Missabe and Iron Range Railway Company, that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act of said corporation.

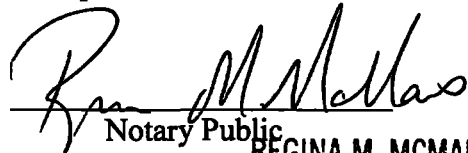


Attorney

Bar Number: 188726-2

STATE OF MARYLAND)
CITY / COUNTY OF Baltimore) SS.:

On this 23rd day of March, 2009, before me personally appeared Terri J. Preston, to me personally known, who, by me being duly sworn, says that he /she is Vice President of Banc of America Leasing & Capital, LLC, that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he / she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public
REGINA M. MCMANUS
NOTARY PUBLIC
BALTIMORE COUNTY

My commission expires 10/15/12

PROVINCE OF QUEBEC)
DISTRICT OF MONTREAL) SS.:

On this _____ day of March, 2009, before me personally appeared John A.N. Lamont, to me personally known, who, by me being duly sworn, says that he is Sr. Manager, Asset Finance of Duluth, Missabe and Iron Range Railway Company, that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act of said corporation.

Attorney

Bar Number: 188726-2